

care plan, not having to read hundreds of pages of fine print that the best lawyers in America sometimes do not understand.

A marketplace is a gateway that allows families and businesses to compare rates, benefits, plans, both private and, we hope—we hope—a public option. Why can you go online and learn about a car or some other major purchase in your life and you can't do the same thing for health care? It is ridiculous, in a word. That is what this would allow—giving people the ability to do just that, just as they do for every other major purchase in their life.

Secure choices is important. Individuals will have their choice of doctors and individualized care. Government and insurance will not interfere in the doctor-patient treatment decisions. I know there is a lot of talk about government getting in the middle. It is just not true, and people know it is not true. We have to make sure people understand that is a fundamental building block of what we are talking about. We want people to be empowered, we want them to have more choices, and we want them to have the choice of both the public option and private plans as well.

I am almost done, Mr. President. My colleague from Arizona is here, and I want to make sure he has his time on Friday to speak.

This is bill language. Sometimes we talk about concepts, and the American people never get to the point of seeing in front of them language from a bill that is actually understandable and is focused on the real problem.

One of the biggest problems people in our State and a lot of States run up against is a preexisting condition prevents them from getting treatment. It is unbelievable that we have tolerated that for so long as well. Why can't we say we are going to pass a law that at long last says a preexisting condition will not prevent you, your son, daughter, spouse, or loved one from getting the care they deserve? We should not have to do it. Insurance companies have forced us to legislate, to make this the law.

Here is the language. It is not complicated. It is not mysterious. It is not lawyer language:

A group health plan and a health insurance issuer offering group or individual health insurance coverage may not impose any preexisting condition exclusion . . .

Let me read that again:

. . . may not impose any preexisting condition exclusion with respect to such plan or coverage.

That is in the bill. It is not a fuzzy concept, it is very specific.

One of the reasons I and so many others are saying we cannot stay on the path we are on, we cannot accept again and again the status quo, is because of that—because the status quo means “may not impose any preexisting condition exclusion” does not become part of the law and we have to continue to deal with the horrific and inexcusable

nightmare of a preexisting condition preventing someone in America, someone who might be very sick in America, from getting treatment, from getting the benefit of health care they ought to have a right to expect.

So when we pass this bill, we have to make sure people understand that is in the bill, and that is very specific and it is very pointed and focused on a real problem for families.

Finally, children. One of the goals here, obviously, is to make sure that no child, especially poor children and those with special needs, is worse off as a result of this bill. Children are different from adults. They can't be treated the same way. They need strategies and treatments that adults don't have. They have different health care needs. It is critical that children, especially those who are disadvantaged, who happen to be poor, who have special needs, get the highest quality care, which they deserve. That is why I have a resolution as part of that which I have introduced.

Finally, with regard to children—no child worse off. Because we want them to grow into healthy and productive adults, they need to get the highest quality care throughout their childhood. We want them to get from this picture in a crib to that picture getting a diploma. So we want them to have the kind of quality health care that will allow us to prevent disease and illness in a child early enough which will allow them to lead a productive life and get ready to contribute to our great economy and to our great country.

There is a lot to do. There is still more work to do, but we need to continue to talk about what is in these bills and to have a vigorous debate. We are a long way from getting this done, but I believe we are on the right track. I believe it is not only important, but unless we do this, I think we are heading down a path that is unsustainable for our economy, for our country, and especially for our families.

Mr. President, I yield the floor, and I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. MCCAIN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

HOUSE DEFENSE BILL AND EARMARKS

Mr. MCCAIN. Mr. President, I rise to talk for a few minutes about the actions taken by the House of Representatives yesterday when they passed the Defense appropriations bill. It is not a small piece of legislation. It provides \$636 billion for defense, and it avoided one veto fight by stripping out funding for advanced procurement of the F-22 fighter jet, but it chose to ignore veto

threats over funding for an alternative engine for the F-35 Joint Strike Fighter and the VH-71—incredibly, the VH-71 Presidential helicopter. The House bill provides \$560 million to continue pursuing an alternative engine and \$485 million for continuation of the VH-71 helicopter. The VH-71 helicopter is the Presidential helicopter, which Secretary Gates has, I think very accurately, derided as one of the most outrageous examples of overspending for any system the Defense Department has ever acquired. The bill also provides \$674 million for three C-17 cargo aircraft, not requested in the administration's budget. It has been determined time after time that there is no need for additional C-17 aircraft.

So what did they do in return for continuation of things like a Presidential helicopter that costs more than a 747 and all of these other porkbarrel projects? Well, the House bill reduces funding by \$1.9 billion for our request for MRAPs—for MRAPs, the vehicles that are protecting young men and women who are fighting in Iraq and Afghanistan. They reduce the number from what the administration thinks we need—5,244—to 2,000. It is remarkable.

But what I really wanted to talk about for a minute is the 1,100 earmarks totaling \$2.8 billion. Of those, 540, totaling \$1.3 billion, are slated to go to specific private companies without competition. Remarkable—\$1.3 billion. You know, the bill may have language saying funding should be competed, but in reality it is not the case when a specific company is identified in report language.

Also incredibly, there are 70 earmarks in the bill for former clients of the PMA Group—the people whose offices have been raided and shut down. It is currently under investigation by both the Justice Department and the House ethics committee.

Concerning earmark reform, President Obama said:

Earmarks must have a legitimate and worthy public purpose. Earmarks that Members do seek must be aired on those Members' web sites in advance, so the public and press can examine them and judge their merits for themselves. Each earmark must be open to scrutiny at public hearings, where Members will have to justify their expense to the taxpayer.

None of that has happened. The earmarks in the House fail woefully in meeting scrutiny at public hearings. As Representative JEFF FLAKE—a man of great courage and of incredible integrity—so rightfully pointed out when he addressed the earmarks in the bill:

These earmarks receive scant scrutiny by the House Appropriations Committee. The committee's markup of the bill lasted all of 18 minutes. Given the way this bill has been earmarked, you'd never know that serious ethical questions have been raised about this process. Simply put, Members of Congress should not have the ability to award no-bid contracts. Even worse, many times the recipients of these earmarks are campaign contributors. The practice has created an ethical cloud over Congress, and it needs to end.

Congressman FLAKE talked about the ethical cloud over Congress. We know about PMA. Every day, there is a new story about one of these earmarks. I would like to cite two quick examples.

Mr. President, I ask unanimous consent to have printed in the RECORD an article headlined "nextgov," entitled "Software company won earmarked funds for work on military health records," and the other article from POLITICO entitled "Exclusive: Earmark critic steered cash to blimp research."

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From NextGov, July 29, 2009]

SOFTWARE COMPANY WON EARMARKED FUNDS FOR WORK ON MILITARY HEALTH RECORDS

(By Bob Brewin)

Adara Networks, the company that is the subject of a Defense Department employee's allegations that it received important software code in advance of winning a sole-source contract to provide hardware and software for a new military electronic health record system, has only between 20 and 50 employees and revenues of \$8 million a year, according to online records. But the company has powerful friends in Washington.

Sen. Thad Cochran, R-Miss., inserted earmarks in the fiscal 2008 and 2009 Defense appropriations measures funding work by Adara on Defense health record systems. He also has a pending earmark for Adara in the 2010 Defense appropriations bill.

According to the Center for Responsive Politics, Adara has paid \$240,000 in lobbying fees to Gage LLC, a consulting and government affairs firm whose partners include former Sen. Conrad Burns, R-Mont. The firm is headed by Burns' former chief of staff, Leo A. Giacometto.

The bulk of the fees, \$160,000, went to Gage last year, making Adara one of the company's biggest sources of revenue in 2008. The Adara lobbying tab from Gage last year matched the fee paid to the lobbying firm by VeriSign, an Internet security company that had revenues of \$255 million in the first quarter of this year.

According to a database of federal contract awards, Adara won Defense contracts valued at \$7.2 million in 2007 and \$13.7 million in 2008.

Cochran's earmarks steered \$4 million to Adara last year for work on what was described as a "next-generation networking electronic medical records project" and \$1.1 million in 2009 for the Strategic/Tactical Resource Interoperability Kinetic Environment (STRIKE) project. Cochran has sought \$10 million in Adara funding for the STRIKE project in the 2010 Defense appropriations bill, which is pending in the Senate.

The STRIKE project, according to Cochran's office, is designed to help the Defense Department solve problems of interoperability, scalability, performance and security in its medical information technology systems.

Internal Military Health System briefings show that Adara's NPX routers, which the company says are capable of moving data around faster than rival products, sit at the heart of the new Military Health System electronic record architecture. The routers serve as a bridge between Defense's AHLTA electronic health record system, the Clinical Data Repository that stores more than 9 million military health records, and VA's electronic health record system.

An internal e-mail NextGov obtained shows that the Military Health System tapped Adara to provide software as well as

hardware for a new enterprise architecture, including a means of exchanging data and a graphical user interface to view medical records.

In that e-mail, Maj. Frank Tucker, chief of product development for the Defense Health Information Management System at MHS, charged he was directed to provide Adara with software source code and documentation, which he viewed as unethical, because this would give the company a leg-up in any competition.

Tucker alleged Adara was awarded a sole-source contract by the Military Health System, but did not specify the contract's value.

Adara has not returned calls seeking comment from NextGov for the past three days. Cochran's office did not respond to a request for comment placed Wednesday.

[From Politico, July 30, 2009]

EXCLUSIVE: EARMARK CRITIC STEERED CASH TO BLIMP RESEARCH

(By John Bresnahan)

Rep. Pete Sessions—the chief of the Republicans' campaign arm in the House—says on his website that earmarks have become "a symbol of a broken Washington to the American people."

Yet in 2008, Sessions himself steered a \$1.6 million earmark for dirigible research to an Illinois company whose president acknowledges having no experience in government contracting, let alone in building blimps.

What the company did have: the help of Adrian Plesha, a former Sessions aide with a criminal record who has made more than \$446,000 lobbying on its behalf.

Sessions spokeswoman Emily Davis defends the airship project as a worthwhile use of federal funds and says it could eventually lead to thousands of new jobs in Sessions's Dallas-area district.

But the company that received the earmarked funds, Jim G. Ferguson & Associates, is based in the suburbs of Chicago, with another office in San Antonio—nearly 300 miles from Dallas. And while Sessions used a Dallas address for the company when he submitted his earmark request to the House Appropriations Committee last year, one of the two men who control the company says that address is merely the home of one of his close friends.

Jim G. Ferguson IV—the younger half of the father-son team behind Jim G. Ferguson & Associates—told POLITICO that he and his father are trying to build an airship with a "high fineness ratio" that can be used in both military and civilian applications.

Fineness ratio is the technical term for the relationship between an airship's length and its diameter; the higher the fineness ratio, the longer and more slender the airship is. A blimp with a very high fineness ratio could fly faster and be able to stay aloft longer—the holy grail for airship designers during the past century.

Yet Ferguson acknowledged that neither he nor his father has a background in the defense or aviation industries, nor any engineering or research expertise.

A search of publicly available records shows no history of the Fergusons ever being involved with the airship industry other than their attendance at a February 2005 Pentagon conference on the subject.

Jim G. Ferguson IV said in an interview that he and his father "were business people" and had acquired the patents for building an advanced airship prototype. He said that the two men are playing a supervisory role in the project and "have obtained world-class experts to work for us."

According to a statement that Sessions included in the Congressional Record last September, slightly more than half of the \$1.6

million earmark was to go toward research and engineering costs. The remainder was for overhead and administrative costs.

"This particular project is focused on study and analysis of the high fineness ratio multimission airship for implementation and deployment in support of the persistent [Defense Department] wide shortfall in intelligence, surveillance and reconnaissance capability," Ferguson said in a statement.

The elder Ferguson declined to talk with POLITICO. His son would not provide details on his professional career but did say that he first came to Washington in 1991 to work in the Transportation Department under Secretary Samuel Skinner. He then did advance work for the White House when Skinner became White House chief of staff under President George H. W. Bush.

On Federal Election Commission forms, Ferguson's occupation has been listed at various times as lobbyist, rancher or self-employed investor. When asked about his activities since the first Bush administration, Ferguson said he was "just working, doing a bunch of different stuff."

He has also donated money to Sessions and other Republicans. FEC records show that Ferguson contributed \$5,000 to Sessions's leadership PAC in October 2007. Overall, Ferguson and his father have given \$18,500 to GOP lawmakers over the past six years.

Ferguson declined to describe his relationship with Plesha.

"I've known him for a long time," Ferguson said. "As you know, [Washington] is a small town."

Likewise, Plesha would not comment about his work with the Fergusons or about any interactions he may have had with Sessions or his office concerning the earmark.

"As a policy, I never discuss anything regarding my clients other than what is already publicly available or required to be disclosed by law—especially for a client such as this where their technology is very much sought after by the larger defense and corporate shipping firms," Plesha said in a statement provided to POLITICO.

In 1997—before going to work for Sessions—Plesha was arrested for illegal possession of a handgun in Washington, after he shot a man who was burglarizing his apartment, according to court documents. Plesha claimed he had acted in self-defense, but the burglar said Plesha shot him three times in the back as he was running away. Plesha pled guilty to the handgun charge, was sentenced to 18 months' probation and ordered to do 120 hours of community service.

Within a year, he was working as a campaign manager for Republican House candidate Charles Ball, who was running against then-Rep. Ellen Tauscher (D-Calif.).

In that campaign, the FEC has said that Plesha created a fake Democratic committee to attack Tauscher. The FEC said the committee sent out 40,000 letters and made 10,000 phone calls to Democratic voters in Tauscher's district just prior to the 1998 midterm elections suggesting that Democratic Rep. George Miller was opposing Tauscher's reelection.

But Miller was, in fact, backing Tauscher. The FEC launched an investigation. And in a 2004 news release, the FEC said that Plesha had not only "authorized and distributed the fabricated letters and calls" but also "knowingly made false statements to the FEC" about them, "denying involvement in or knowledge of this scheme."

According to the FEC and court documents, Plesha pled guilty to lying to investigators in the case. He was fined \$5,000, placed on three years' probation and ordered to do an additional 160 hours of community service, according to federal court documents. He also entered into a "conciliation

agreement," under which he was to pay a \$60,000 civil penalty, the FEC said.

Lobbying disclosure records show that, beginning in November 2005, Ferguson and Plesha lobbied on behalf of Sphere Communications, a division of NEC Corp., the Japanese telecommunications giant. Plesha also worked for a time for a San Francisco-based defense contractor whose employees, FEC records show, had contributed heavily to Sessions and his PAC.

By 2006, lobbying disclosure forms show that Plesha was working for the Fergusons. The records show that he collected \$51,400 in fees from the Fergusons during the last six months of 2006; nearly \$292,000 more in 2007; and \$64,500 in 2008.

The records show that the Fergusons are, by far, Plesha's most lucrative lobbying clients.

Sessions's office said Plesha wasn't given any special access to his former boss.

"His role is clear: He and his client presented a position (i.e., briefing) to the congressman and his staff," said a Sessions aide. "As with any project request, Congressman Sessions evaluates the merits of the project and accordingly makes a decision to either support or decline the request. Based on the project's represented merits, . . . Sessions decided to submit the request to the Appropriations Committee for its review and determination."

And the Texas Republican still believes in the project, his staff said.

"Based on briefings that Congressman Sessions and his staff have received, projected applications of the technology include military surveillance, fuel-efficient military cargo transportation (especially into areas without adequate infrastructure) and missile defense," Davis, the congressman's spokeswoman, said in a statement.

Davis also noted that Sessions has supported a moratorium on all earmarks since the start of the 111th Congress, after the earmark for the Fergusons was approved.

Mr. MCCAIN. Quoting from the first article:

Adara Networks, the company that is the subject of a Defense Department employee's allegations that it received important software code in advance of winning the sole-source contract to provide hardware and software for a new military electronic health record system, has only between 20 and 50 employees and revenues of \$8 million a year. But the company has powerful friends in Washington. Senator Thad Cochran . . . inserted earmarks in the fiscal 2008 and 2009 Defense appropriations measures funding work by Adara on Defense health record systems. He also has a pending earmark for Adara in the 2010 Defense appropriations bill.

According to the Center for Responsive Politics, Adara has paid \$240,000 in lobbying fees to Gage LLC, a consulting and government affairs firm whose partners include former Senator CONRAD Burns, R-Montana. The firm is headed by Burns' former Chief of Staff, Leo A. Giacometto. The bulk of the fees, \$160,000, went to Gage last year, making Adara one of the company's biggest sources of revenue in 2008. The Adara lobbying tab from Gage last year matched the fee paid to the lobbying firm by VeriSign, an Internet security company that had revenues of \$255 million in the first quarter of this year.

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ronment Project. Cochran has sought \$10 million in Adara funding for the STRIKE project in 2010.

An internal e-mail NextGov obtained shows that the military health system tapped Adara to provide software as well as hardware for a new enterprise architecture, including a means of exchanging data and a graphical user interface to view medical records. In that e-mail, Major Frank Tucker, chief of product development for the Defense Health Information Management System at MHS, charged he was directed to provide Adara with software source code and documentation, which he viewed as unethical because this would give the company a leg up in any competition. Tucker alleged Adara was awarded a sole-source contract by the Military Health System, but did not specify the contract's value.

There should be a full investigation of that.

Quoting from the Politico story:

Representative Pete Sessions, the chief of the Republicans' campaign arm in the House, says on his Web site that earmarks have become "a symbol of a broken Washington to the American people." Yet in 2008, Sessions himself steered a \$1.6 million earmark for dirigible research to an Illinois company whose president acknowledges having no experience in government contracting, let alone in building blimps. What the company did have: the help of Adrian Plesha, a former Sessions aide with a criminal record who has made more than \$446,000 lobbying on its behalf.

But the company that received the earmarked funds, Jim G. Ferguson & Associates, is based in the suburbs of Chicago, with another office in San Antonio—nearly 300 miles from Dallas. And while Sessions used a Dallas address for the company when he submitted his earmark request to the House Appropriations Committee last year, one of the two men who control the company says that address is merely the home of one of his close friends.

. . . Ferguson acknowledged that neither he nor his father has a background in the defense or aviation industries, nor any engineering or research expertise.

Finally, it goes on:

. . . more than half of the \$1.6 million earmark was to go toward research and engineering costs. The remainder was for overhead and administrative costs.

This is the result—and there are myriad examples—of this earmarking which goes on and on in this year's Defense appropriations bill from the House, and there will be more from the Senate. There are 1,102 earmarks. We can't do that. We have to stop. The American people are very tired of it.

Let me remind my colleagues again about PMA, of which there are some 70 earmarks. The PMA Group was a DC lobbying firm with deep ties to Capitol Hill and a reputation for securing lucrative earmarks for its clients, especially defense earmarks. It boasted more than \$15 million in revenue last year. PMA Group clients reportedly received \$300 million in defense earmarks for fiscal year 2008 and \$317 million for fiscal year 2009. PMA Group and its clients spread around a lot of campaign contributions in an attempt to curry favor with lawmakers. According to one report, the firm had been credited with \$1.8 million in contributions since 2001, and that is just the members of

the Defense Appropriations Committee.

Last November, the Federal Bureau of Investigation raided PMA's offices and the home of its founder, Paul Magliocchetti. According to news reports, prosecutors were initially focused on whether Mr. Magliocchetti used a Florida wine steward and a golf club executive as a front to funnel illegal donations to lawmakers. The Washington Post examined campaign contributions reportedly given by employees of the PMA Group and found listed in donor records "several people who were not registered lobbyists and did not work for the lobbying firm," including a 75-year-old California man who had never even heard of the firm.

Since then the Department of Justice has raided the offices of a number of PMA clients and their business partners. One former PMA client is accused of giving kickbacks to an ex-Air Force contracting official. A Federal grand jury reportedly subpoenaed records from one U.S. Representative's congressional and campaign offices, and the FBI is interviewing his staffers.

It upsets my colleagues when I talk about corruption in earmarking. I know it is very painful. I do not question the integrity of any of my colleagues. But when something like this PMA situation goes on, the stories are myriad of this influence of special interests at a time where we have nearly 10 percent unemployment in the United States of America, people not able to stay in their homes, people not being able to keep their jobs. If it was ever unacceptable, which it always was, it certainly is unacceptable now.

At some point, the Defense appropriations bill will come to the floor of the Senate. If it is anything like the Defense appropriations bill the House of Representatives passed yesterday, we are going to have a long process because we have to bring this practice to an end.

During the campaign, the President of the United States said we would review every appropriation line by line and do away with those that were unnecessary and unwanted and a waste of the taxpayers' dollars. There is no greater opportunity than there is now.

I appreciate the President's involvement in ending production of the F-22, his involvement in saying the alternate engine is unsustainable for the F-35—continued billions of dollars of funding. But the earmarks are also billions of dollars of waste of the taxpayers' dollars. The earmarks are what bred corruption and the reason we have former Members of Congress residing in Federal prison. It has to be stopped. No contract should be allowed on a non-competitive basis to be appropriated by the Congress of the United States.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. REID. Mr. President, I ask unanimous consent the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. REID. Mr. President, it is my understanding we are in a period of morning business.

The PRESIDING OFFICER. That is correct.

SMALL BUSINESS/SBIR

Mr. DORGAN. Mr. President, I applaud the Small Business and Entrepreneurship Committee for their efforts in putting together a thoughtful, balanced reauthorization of the Small Business Innovations Research—SBIR—and Small Business Technology Transfer—STTR—programs.

I know the committee is in negotiations with the House trying to reach a good reconciliation with the right parameters. I hope they do, so that we have these programs in place for years to come instead of another short-term extension.

SBIR was set up in 1982 and requires 11 Federal departments and agencies like the Department of Defense, the National Institutes of Health and the National Science Foundation to set aside 2.5 percent of their research and development budgets for small businesses, which is over \$2 billion per year. STTR sets aside another 0.3 percent of R&D for small businesses to work in partnership with university and institutional researchers. Both programs have been highly successful, helping propel small business growth, and develop and commercialize the innovations that are the backbone of our economy.

I wanted to share a few facts about small business for the record.

According to the Small Business Administration, small businesses annually create between 60 and 80 percent of the net new jobs in America.

Small businesses produce on average 13 to 14 times more patents per employee than large patenting firms.

Small business employs about 38 percent of the scientists and engineers in America, up from only 6 percent in 1978.

Despite all this growth and stellar track record, small business receives only about 4 percent of Federal extramural research dollars. That needs to change. Small business has proven they can do Federal R&D as well as or better than large business, and they deserve more space at the table.

Small business is going to be the engine that pulls the country out of this recession, like it has so many times in the past. Looking beyond the recession, small business will again develop the innovative technologies in which America consistently leads the world. The Senate bill wisely supports and extends our support for small business's role in growing a vibrant national economy.

In my own State of North Dakota, SBIR has helped fund a number of in-

novations, and I wanted to mention a few of them.

The Technology Applications Group of Grand Forks, located in the Red River Valley Research Corridor, invented the Tagnite coating system through Army and Navy SBIR funds. The technology allows the military to coat magnesium alloys for parts, ships, helicopters and airplanes in a way that is much less toxic than old processes, cuts down on corrosion, and saves on maintenance.

Agsco of Grand Forks received an SBIR grant that led to development of the SCOIL and SUN-IT II products that enhance crop herbicide effectiveness. Agsco turned their SBIR grants into two products with a great deal of commercial impact.

Dakota Technologies of Fargo has received multiple SBIR grants, including two that led to development of BEAM, or ballast exchange assurance meter, which measures ballast water in ships to make sure they don't contain harmful species or contaminants. BEAM is currently in a pilot program with the Coast Guard.

Back in 2002, I secured funding to develop telepharmacy technology to connect pharmacists directly with patients and pharmacy technicians regardless of their location. Technologies like this have been a boon to rural communities because they allow them to compete on a level playing field with urban areas.

The USDA just awarded Telepharmacy Concepts of Dickinson, ND, with an \$80,000 Phase I SBIR award that will allow them to research whether telepharmacy technology could be used for medication therapy management, which is a way to provide patient education, increase medication compliance and improve health care outcomes.

Praxis Strategy Group of Grand Forks has received SBIR awards nine times, including grants from the USDA to develop strategic processes like the High Performance Community Initiative and the Enterprise Homesteading Program that help communities, especially small communities, attract entrepreneurs, develop dynamic economies, and market themselves.

While I am happy with the Senate reauthorization, I am concerned about some of the provisions in the House version we are trying to reconcile it with.

First, the House bill opens participation in SBIR to companies that are majority-owned by venture capital firms. I have nothing against venture capital companies, but the small businesses that they own have already shown they can successfully attract capital in the private market.

SBIR was intended to help small businesses without the connections available to do that. I think the House bill is trying to fix something that isn't broken.

Second, given the long-term success of SBIR and STTR, I think it only makes sense to increase the share of

agency funds set aside for small business as the Senate's bill gradually does.

American business has changed dramatically since SBIR was created. Since 1978, the share of scientists and engineers working for small businesses has, as I said, increased from 6 to 38 percent. Funding for SBIR and STTR needs to increase to reflect that reality. I am concerned that the House bill keeps their allocations where they have been for 27 years, despite the successful track record of the programs. Given the figures I have quoted previously, increasing the set-aside from 2.5 to 3.5 percent is the very least we should do.

Small business is the core of our country's economy, and we have here a program that has a strong track record of encouraging growth and innovation in that area. I urge the program's reauthorization with the principles of Senate bill S. 1233.

ZERO TOLERANCE FOR VETERANS HOMELESSNESS ACT

Mr. BOND. Mr. President, I wish to speak on the introduction of S. 1547—the Zero Tolerance for Veterans Homelessness Act. I am very proud to be an original cosponsor of this legislation and to join my good friend, Senator JACK REED, along with Senators TIM JOHNSON and PATTY MURRAY, on addressing the tragedy of homelessness among our Nation's veterans. My three colleagues have been steadfast in their resolve to address the needs of veterans, including the tragedy of homelessness, and I commend them.

Senator REED has been a strong and committed leader on affordable housing and homeless issues and his leadership played a strong role in the recent enactment of the historic Homeless Emergency Assistance and Rapid Transition to Housing Act or HEARTH Act. I am honored to join him again.

Like the HEARTH Act, the Zero Tolerance for Veterans Homelessness Act builds on our work over the past several years by focusing on the importance of permanent supportive housing. Further, it takes important steps to break down the barriers between the Departments of Veterans Affairs, VA, and Housing and Urban Development, HUD, to ensure that veterans receive the quality services and housing they deserve and need.

The most notable element of the legislation is the authorization of HUD-VA Supportive Housing or HUD-VASH rental-assistance vouchers. Working with Senator PATTY MURRAY, new HUD-VASH vouchers have been funded over the past 2 years. While other HUD homeless-assistance programs serve veterans, HUD-VASH is the only permanent housing program that is specifically targeted to veterans and tied to veteran-specific supportive services from the VA.

We have been fortunate to fund 10,000 new vouchers each year but with over